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27 March 1980

MEMORANDUM FOR: Deputy Director of Central Intelligence

FROM: Don I. Wortman  
Deputy Director for Administration

SUBJECT: Inspector General Report on Industrial Contracting and Security

REFERENCES: (a) Memo to DCI from DDCI, dated 4 Jan 80,  
same subject  
- (b) Memo to DDA from DDCI, dated 19 Feb 80,  
same subject

Sir:

1. This memorandum includes a specific recommendation for your approval. The specific recommendation is included in paragraph 4.

2. During 1979 the Office of the Inspector General performed a comprehensive review of industrial contracting and security in CIA. The results of the inspection were reported to the DCI in November 1979. Reference (a) advised you of decisions by the DCI on various recommendations. Your reference (b) memorandum directed appropriate action by this directorate.

3. The attachment to this memorandum describes actions already taken on the various approved recommendations, as well as those planned for the near future. I must also state that the attachment appeals one of the directions by the DCI.

4. Your specific attention is invited to the attachment discussion of recommendation A-2 which elevates authority from the Director of Logistics to yourself or the DCI for waiving review by the Agency Contract Review Board (ACRB) of certain Agency contracts. As you will note from our discussion of this matter, we do not believe that the Agency will be well-served by such action and, by your signature below, we specifically recommend that the existing authority of the Director of Logistics to waive review of contracts by the ACRB be continued.

OL 0 1314 (a)

SUBJECT: Inspector General Report on Industrial Contracting and Security

5. We will continue to track progress on actions not already complete as of this writing, and will provide a second progress report in 60 days.

*IS*  
Don I. Wortman

Att

APPROVED:

*/s/* *Carlucci\**  
Deputy Director of Central Intelligence

*per FOY - 506  
9/1/80*  
14 April 1980  
Date

Distribution:

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Originating Office:

*/s/ James H. McDonald*

Director of Logistics

24 MAR 1980

Date

Distribution Withheld:

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\* I agree on A-2. If you wish to go back to DCI on 4a and b (I think it is wise to do so), please prepare abridged versions of your replies. (See OL 0 1927)

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**Next 2 Page(s) In Document Exempt**